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ABSTRACT

The General Accounting Office examined the spending, outcomes, and performance of the Job Opportunities and Basic Skills (JOBS) and Job Training Partnership Act (JTPA) programs. Federal expenditure data were analyzed, legislation and regulations specifying data collection/reporting requirements and performance standards for the programs were reviewed, and officials at the Departments of Health and Human Services and Labor were interviewed. JOBS and JTPA program services were often interrelated at the local level; however, the extent to which the two programs rely on each other for services could not be determined. JOBS and JTPA spending patterns were fairly similar. In the program year ending in 1992, JOBS spent 62% of its funds on education and training (E&T), 19% on participant support, and 20% on administration, whereas JTPA spend 74% of its funds on E&T, 11% on participant support, and 16% on administration. When the expenditures for the child care guaranteed to all JOBS participants were included, however, the percentage of JOBS funds spent on E&T decreased to 44%, the percentage spent on participant support increased to 42%, and the percentage spent on administration decreased to 14%. (Appended is a table detailing JOBS and JTPA expenditure categories. In addition six tables and three figures are included. (MN)

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United States General Accounting Office

GAO

Report to the Chairman, Committee on Labor and Human Resources, U.S. Senate

July 1994

JOBS AND JTPA

Tracking Spending, Outcomes, and Program Performance

ED 372 269

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United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-257383

July 15, 1994

The Honorable Edward M. Kennedy, Chairman
Committee on Labor and Human Resources
United States Senate

Dear Mr. Chairman:

In response to your May 11, 1994, request and discussions with Committee staff, this letter presents information about certain aspects of the Job Opportunities and Basic Skills Training (JOBS) and Job Training Partnership Act (JTPA) programs.[1] These two programs are among the employment and training programs that your Committee is developing legislation to consolidate. Together, they account for about 60 percent of the federal employment and training funds for the nation's economically disadvantaged population. While JOBS is limited to recipients of Aid to Families With Dependent Children (AFDC) benefits, JTPA serves AFDC recipients and other economically disadvantaged individuals.

In your letter, you asked that we provide information on the interrelationship between JOBS and JTPA. Specifically, you asked that we determine how funds are spent and reported for education, job training, support services, and program administration for JOBS and JTPA. In addition, you asked that we determine the outcome-focused data that are collected and performance standards for the two programs.

To accomplish our objectives, we obtained federal expenditure data; reviewed legislation and regulations specifying data collection and reporting requirements and performance standards for the two programs; and interviewed program officials at the Departments of Health and Human Services (HHS) and Labor. We did not assess the quality of the JOBS and JTPA data collected nor did we try to determine if the data collected by HHS and Labor allow the departments to effectively manage or measure the effectiveness of their respective programs. In addition, to make broad comparisons of the two programs' expenditures in cases for which actual data were not available, we estimated the expenditures using other related program data; we have identified these cases in the report.

[1]In this report, "JTPA" refers to title II-A of the act. Before 1993, title II-A included adult and youth participants. The Job Training Reform Amendments of 1992 established a separate program for youth participants, limited title II-A to adults over 22 years of age, and made other changes regarding program services and coordination.

Results in Brief

For the program year ending in 1992, JOBS and JTPA spent about $3 billion in federal and state funds providing employment and training services to economically disadvantaged individuals. Service delivery for these two programs is coordinated and often interrelated at the state and local level. For example, an AFDC recipient participating in JOBS might receive JTPA-funded education and training services and AFDC child care guaranteed to her as a JOBS participant. In addition, state and local welfare agencies may contract with JTPA providers to administer JOBS services. However, the extent to which the two programs rely on each other for services is unknown.

In analyzing JOBS' and JTPA's expenditures for the program year ending in 1992, we found that the proportion of each program's total funds spent on education and training, participant support, and administration were fairly similar, as shown in table 1.

Table 1: Comparison of JOBS and JTPA Title II-A Expenditures, 1992

	Proportion of total funds[a]	
Expenditure category	**JOBS**	**JTPA title II-A**
Education and training	62	74
Participant support	19	11[b]
Administration	20	16

[a]Proportions do not add to 100 percent due to rounding.

[b]Includes an undeterminable amount for child care.

However, when we included expenditures for child care that is guaranteed to all JOBS participants, the spending patterns for the two programs were much different, as shown in table 2. More than two-thirds of JOBS' participant support expenditures were for child care costs.

Table 2: Comparison of Expenditures for JOBS Including Guaranteed Child Care and JTPA Title II-A, 1992

	Proportion of total funds	
Expenditure category	**JOBS including guaranteed child care**	**JTPA title II-A[a]**
Education and training	44	74
Participant support	42	11[b]
Administration	14	16

[a]Proportions do not add to 100 percent due to rounding.

[b]Includes an undeterminable amount of dollars for child care.

Both JOBS and JTPA collect similar data on participant characteristics, services received, job entry status, and wages. In addition, JTPA has established outcome measures as standards to which states are held accountable for program results, while JOBS has process-focused, but no outcome-focused, performance standards for the states. JTPA tracks participants after they leave the program and measures program performance based on the proportion of participants employed and their wages. In contrast, JOBS has standards that focus on states serving a required proportion of their AFDC caseloads and targeting resources to long-term and potential long-term applicants and recipients. Although HHS is required to provide the Congress recommendations for outcome-focused performance standards for JOBS, HHS has missed its mandated report date of October 1993.

Background

JOBS and JTPA title II-A are the two largest among nine federal employment and training programs that target services to the economically disadvantaged and share a common goal of enhancing clients' participation in the workforce.[2] Selected background information on these programs is shown in table 3.

Table 3: Selected Information on JOBS and JTPA Title II-A

	JOBS	JTPA title II-A
Implementation date	October 1990	July 1982
Federal administrative agency	Department of Health and Human Services	Department of Labor
Administrative agencies within states	Welfare agencies (Welfare agencies may contract out program administration while maintaining supervisory control)	Service delivery areas (SDA)
Funding amount and source in 1992[a]	$1.5 billion of federal and state funds[b]	$1.4 billion of federal funds
Number of participants in 1992[a]	510,000 served in an average month	796,000 served during the year

[a]The most recent year for which comparable data were available for the two programs—JOBS' fiscal year 1992 (October 1, 1991, through September 30, 1992) and JTPA's program year 1991 (July 1, 1991, through June 30, 1992).

[b]Includes an estimated $426.1 million for JOBS-related child care expenditures.

In 1982, JTPA replaced the Comprehensive Employment and Training Act as the principal federal program for job training and related services. Until

[2]For information about these nine programs and other employment and training programs, see Multiple Employment Training Programs: Major Overhaul Is Needed (GAO/T-HEHS-94-109, Mar. 3, 1994).

1993, title II-A of the act provided job training and employment skills to economically disadvantaged adults and youth. The Department of Labor administers the program at the federal level, while over 600 service delivery areas (SDA) provide program services at the local level. In the program year ending in 1992, state SDAs spent about $1.4 billion in title II-A funds and served about 796,000 participants.[3] JTPA is federally funded with no state matching requirements.

JTPA is more than 10 years old; JOBS, however, is a younger program. JOBS, title IV-F of the Social Security Act, was created by the Family Support Act of 1988 to help AFDC parents get the education, job skills training, work experience, and support services they need to increase their employability and avoid long-term welfare dependency. All AFDC recipients considered able to work must participate in JOBS, and other AFDC recipients may enroll voluntarily, as state program budgets permit. In addition, all AFDC recipients enrolled in JOBS must be provided child care if needed; title IV-A of the Social Security Act provides funds for such child care.[4] In contrast, JTPA identifies potential voluntary participants through community outreach efforts and may provide, but does not guarantee, child care funds for its participants.

JOBS' predecessor was the Work Incentive program, which the Departments of Health and Human Services and Labor jointly administered at the federal level and state welfare and employment agencies administered locally. The Family Support Act designated HHS and the state welfare agencies sole responsibility for administering the new welfare-to-work program—JOBS. While HHS administers JOBS at the federal level, the states have flexibility in designing and operating their programs. In fiscal year 1992, JOBS expenditures totaled $1.1 billion, with about 61 percent of the total funded by the federal government and the remainder by the states. JOBS-related child care expenditures during that year totaled $426.1 million, with the federal government providing about 57 percent of the total. On average, about 510,000 AFDC recipients participated in JOBS activities each month in fiscal year 1992. Unlike JTPA, the overwhelming majority of JOBS participants are women with children. Other JOBS and JTPA program features are shown in table 4.

[3]This JTPA program year began on July 1, 1991, and ended on June 30, 1992. Because the most recent JOBS data available were for fiscal year 1992 (October 1, 1991, through September 30, 1992), we used comparable data from JTPA program year 1991.

[4]Title IV-A also guarantees child care to AFDC recipients who are employed or participating in state-approved education and training other than JOBS.

Table 4: Selected Program Features of JOBS and JTPA Title II-A, 1992

Program feature	JOBS	JTPA title II-A[a]
Eligible population	Adult and teen parents and high school dropouts receiving AFDC	Primarily, economically disadvantaged adults and youth, defined by household income but also including welfare and food stamp recipients
Participation requirement	Mandatory for all AFDC recipients considered able to work and voluntary for other AFDC recipients as state program budgets permit	Voluntary[b]
Share of eligibles served	12 percent in an average month	6 percent
Participants' gender	86 percent female 14 percent male	Of the 534,000 who completed or left the program (including 136,000 AFDC recipients), 56 percent female and 44 percent male
Services	Assessment and case management, basic and remedial education, training, job search and placement assistance, work experience, and guaranteed participant support services such as transportation and child care	Outreach, assessment and case management, basic and remedial education, training, job search and placement assistance, work experience, participant support services such as child care and transportation, and post-program follow-up

Note: The most recent year for which comparable data were available for the two programs—JOBS' fiscal year 1992 (October 1, 1991, through September 30, 1992) and JTPA's program year 1991 (July 1, 1991, through June 30, 1992).

[a]Reflects the JTPA program before the 1992 JTPA amendments that created a new title under the act for the youth program.

[b]For most people, JTPA is a voluntary program; others, namely AFDC recipients, may be required by JOBS to participate in JTPA education and training activities.

JOBS and JTPA Often Interrelated at Local Level

At the local service delivery level, JOBS' and JTPA's program services may be combined to meet the needs of their participants. Under JOBS, states are encouraged to maximize the use of community resources for their JOBS participants. Furthermore, states are prohibited from using JOBS funds to purchase services already available free of charge to AFDC recipients. Consequently, JTPA plays an important role in delivering education and training services under JOBS. Alternatively, JOBS plays a role for JTPA in providing support services, such as child care, to participants. In our 1992 report on JTPA participant support, we found that about half of the nation's SDAs coordinated with other agencies, especially welfare agencies, to provide support services to their JTPA participants.[5] However, the extent to which the two programs rely on each other for services is unknown. Generally, neither program is required to track the extent or costs of services provided to their participants by other programs.

[5]Job Training Partnership Act: Actions Needed to Improve Participant Support Services (GAO/HRD-92-124, June 12, 1992).

JOBS' reliance on JTPA to provide services to JOBS participants may take different forms at the state and local level. In all cases, however, the state welfare agency must retain supervisory responsibility for JOBS. One study of JOBS in 10 states reported great variation in the coordination and interrelatedness of the two programs. In some localities, the welfare agency refers JOBS participants to JTPA for services that are free of charge to JOBS. In other areas, local welfare agencies contract with JTPA to serve additional JOBS participants beyond those that JTPA is expected to serve free of charge to JOBS.[6] In yet other areas on a statewide basis, JTPA and JOBS are combined as part of an integrated employment and training system designed to provide services to JOBS participants and other economically disadvantaged individuals.[7]

As an example of the interrelatedness of JOBS and JTPA, a 30-year-old mother on AFDC may be enrolled in JOBS, assigned a caseworker, and provided initial assessment and orientation by the welfare agency. JOBS then may refer her to JTPA for education and training. While enrolled in JTPA-provided education and training, she can receive AFDC (IV-A) child care funds, guaranteed to her as a JOBS participant.

JOBS and JTPA Program Differences Reflected in Spending Patterns

Although JOBS and JTPA report expenditures in similar categories, their funds are spent differently. These differences reflect distinctions in program features, populations served, and program requirements.

Expenditures Reported in Similar Cost Categories

Both JOBS and JTPA report expenditures in three main categories: (1) education and training, including assessment, case management, and directly related administrative costs such as space and supplies; (2) participant support, including child care, transportation, and other work-related needs; and (3) administration, including general supervision, planning, monitoring, contract administration, and computer systems. Under JTPA title II-A, one funding source pays for all services, including child care. In contrast, in the Family Support Act, the Congress designated

[6]Until 1993, JTPA was required to serve AFDC recipients in the same proportion as their representation among the JTPA eligible population. Under current law, JTPA requires that at least 65 percent of an SDA's participants be in one or more hard-to-serve categories, such as AFDC, Food Stamp, and General Assistance recipients, those deficient in basic skills, persons with disabilities, or school dropouts.

[7]For information on the relationship between JOBS and JTPA in 10 states, see Irene Lurie and Jan L. Hagen, Implementing JOBS: The Initial Design and Structure of Local Programs, The Nelson A. Rockefeller Institute of Government, State University of New York (Albany, NY: 1993).

two sources of funds to meet the needs of JOBS participants: JOBS (IV-F) funds for all services except child care and AFDC (IV-A) child care funds. Table 5 shows expenditures for JOBS (IV-F) and JOBS including guaranteed child care, both separately and combined, to facilitate the comparison with JTPA, for which child care expenditures cannot be separately identified. The table identifies the JOBS and JTPA expenditures by the three main categories for the most recent year for which comparable data were available for both programs. Further definition of JOBS and JTPA expenditure categories appear in appendix I.

Table 5: JOBS and JTPA Title II-A Expenditures, by Category, 1992

Dollars in millions

Expenditure category	JOBS and JOBS-related child care, federal and state expenditures, Oct. 1991 to Sept. 1992			JTPA title II-A, federal expenditures, July 1991 to June 1992
	JOBS (IV-F)	AFDC (IV-A) child care for JOBS participants	Total: JOBS including guaranteed child care	
Education and training	$ 681.2[a]		$ 681.2	$1,064.5
Participant support	209.6[b]	$ 426.1[c]	635.7	$ 159.7[d]
Administration	216.4[b]		216.4	$ 225.0
Total	**$1,107.2[e]**	**$ 426.1[f]**	**$1,533.3[g]**	**$1,449.2**

[a]Based on HHS form ACF-331, used by the states to claim federal financial participation in JOBS program costs. As much as 20 percent of these expenditures may be for costs not related to education and training as states may claim a portion of any type of program cost at the rates reserved for education and training.

[b]Although JOBS and JTPA include similar costs in the administrative category, these costs were not reported separately for JOBS until fiscal year 1992. Until then, both administrative costs and expenditures for participant support other than child care were reported combined on HHS form ACF-331, used by the states to claim federal financial participation in program costs. Under the new additional reporting requirement, according to HHS officials, not all states were able to report complete data. However, HHS officials believe the report provides an indication of the proportion of JOBS dollars devoted to administration and participant support (other than child care). We used these ratios to estimate the allocation of ACF-331 costs between program administration and participant support expenditures, excluding child care. HHS is working with states to improve their reporting.

[c]AFDC (IV-A) child care expenditures, including administrative costs, totaled $687.1 million for fiscal year 1992. We estimated the AFDC child care costs for JOBS participants to be $426.1 million, as shown above, based on preliminary HHS data on the numbers and reasons for eligibility of children receiving this child care assistance. Of the remaining $261 million, we estimated that (1) $86.1 million was used to provide child care for AFDC recipients enrolled in education and training other than JOBS, such as JTPA or postsecondary education, approved by the welfare agency; (2) $149.3 million was expended to assist employed AFDC families with child care; and (3) the status of $25.6 million could not be determined. Based on preliminary HHS data on the per capita child care costs across families, JOBS child care costs average more than those for other eligible children. Consequently, our estimate for JOBS-related child care expenditures may be understated.

[d]Includes JTPA-funded child care.

[e]Federal share of JOBS IV-F expenditures is 61 percent.

[f]Federal share of AFDC child care expenditures is 57 percent.

[g]Federal share of total JOBS expenditures is 60 percent.

Differences in Programs' Features and Populations Affect Spending Patterns

JTPA title II-A and JOBS IV-F expenditures are similar in the three broad categories of education and training, participant support, and administration. As shown in figure 1, 74 percent of JTPA expenditures was associated with providing education and training compared with

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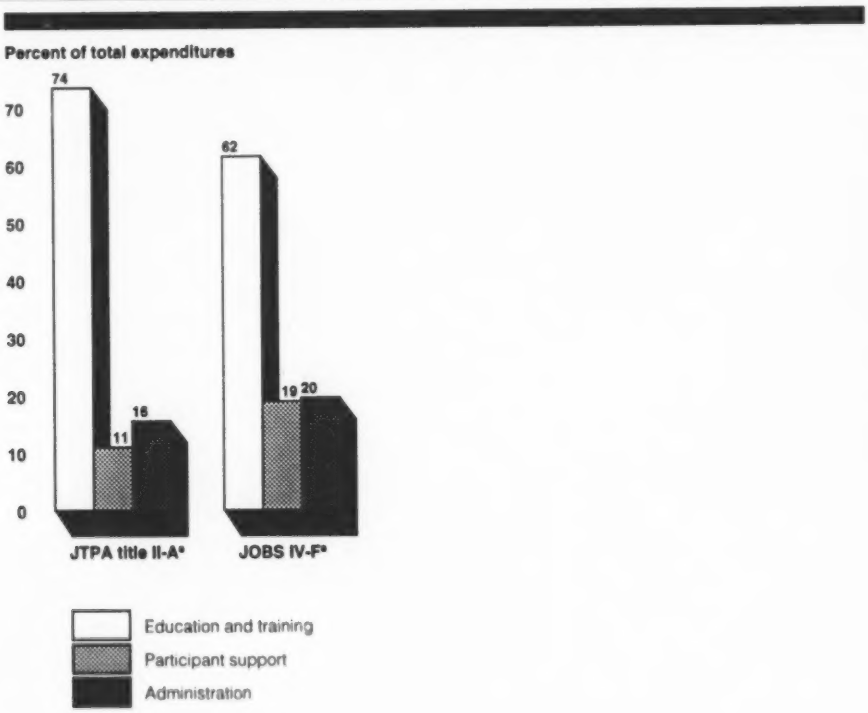
62 percent of JOBS expenditures. Also, about 11 percent of JTPA program expenditures was used to support participants' needs, including transportation and child care, compared with 19 percent for JOBS participant support, which includes similar costs except child care. Regarding administrative costs, 16 percent of JTPA dollars and 20 percent of JOBS (IV-F) dollars were spent in this category.[8]

Figure 1: Expenditures for JTPA Title II-A and JOBS IV-F, by Category (1992)



[a]Does not add to 100 percent due to rounding.

JTPA data are for July 1991 to June 1992; JOBS data are for October 1991 to September 1992.

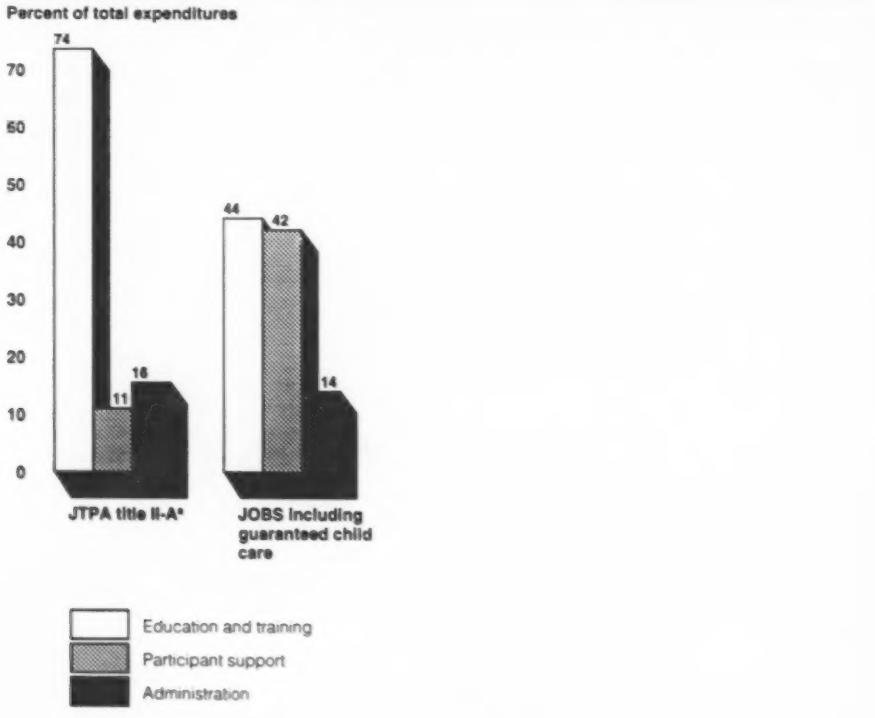
The participant support category for JTPA includes child care expenditures; for JOBS, it excludes child care expenditures.

Sources: For JTPA—DOL/ETA Report No. JTPA-1. For JOBS—HHS forms ACF-331 and ACF-332. The allocation of ACF-331 totals between participant support and administration other than child care were estimated based on ACF-332 data.

[8]See footnote b to table 5 on our estimation of administrative and participant support costs.

When JTPA expenditures are compared with JOBS expenditures, including guaranteed child care, the expenditure patterns for the two programs look quite different. This difference may be attributed to JOBS' focus on helping AFDC recipients, most of whom are women with children, and the legislative mandate that guarantees child care to participants. As shown in figure 2, when JTPA expenditures are compared with JOBS and guaranteed child care expenditures combined, 44 percent of JOBS program dollars was for education and training compared with 74 percent of JTPA expenditures. In addition, the proportion of JOBS expenditures for participant support was 42 percent compared with 11 percent for JTPA. More than two-thirds of the JOBS participant support dollars were for child care costs. Regarding administrative costs, 14 percent of JOBS dollars was spent in this category compared with 16 percent of JTPA dollars.

Figure 2: Expenditures for JTPA Title II-A and JOBS Including Guaranteed Child Care by Category (1992)



[a]Does not add to 100 percent due to rounding.

JTPA data are for July 1991 to June 1992; JOBS data are for October 1991 to September 1992.

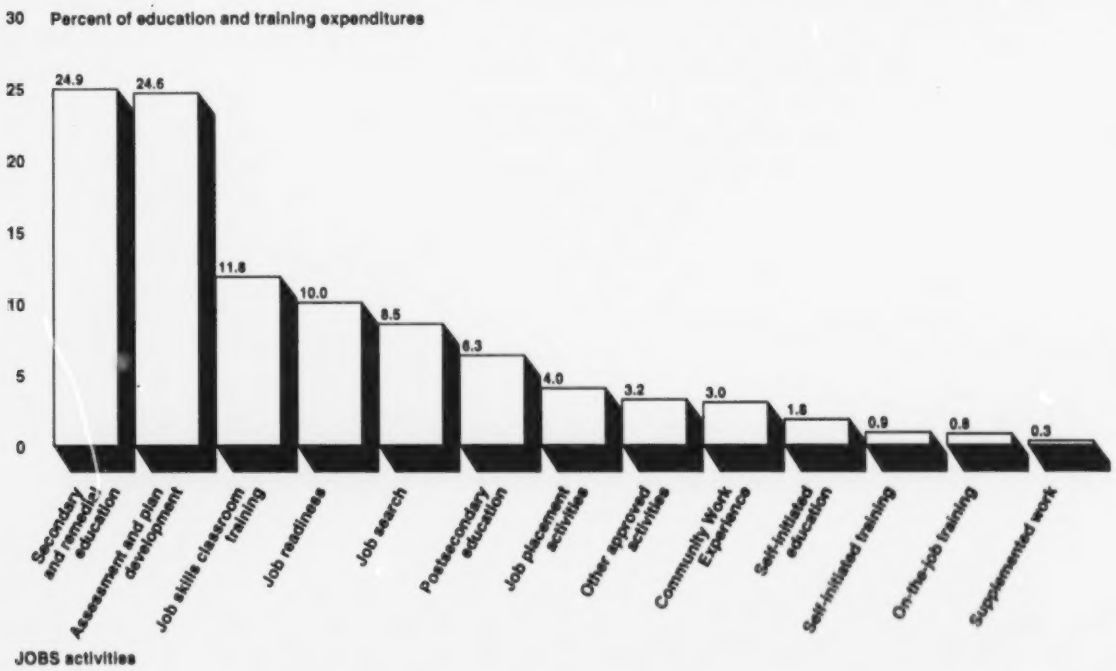
Sources: For JTPA—DOL/ETA Report No. JTPA-1. For JOBS—HHS forms ACF-231, ACF-331, and ACF-332. The allocation of ACF-331 totals between participant support and administration other than child care were estimated based on ACF-332 data.

An analysis of how JOBS and JTPA funds are used within the education and training category is not possible because neither program requires a breakdown of specific costs included in the category. The education and training category for both programs includes many cost items such as

- costs associated with client intake, orientation, assessment, employability plan development, and case management;
- education and training services, including teacher and provider salaries, tuition, books, or supplies; and
- directly related education and training administrative costs, including space and equipment.

JOBS data also reflect the distribution of education and training expenditures for various JOBS activities, as illustrated in figure 3. Almost 25 percent of these education and training expenditures was used for client assessment and employability plan development, and another 25 percent was used to provide secondary and remedial education services. However, we could not identify the extent to which these expenditures were for teacher salaries or tuition rather than for case managers who referred, counseled, or monitored clients' progress in education. JTPA does not report the distribution of education and training expenditures for program activities.

Figure 3: Percentage Distribution of JOBS Education and Training Expenditures by Activity (Oct. 1991 to Sept. 1992)



Source: HHS Form ACF-332, which reports on JOBS (IV-F) federal and state expenditures by spending category and activity.

Differences in Program Requirements Also Affect Spending Patterns

Certain limitations and program requirements also directly affect JOBS' and JTPA's spending patterns. For example, JTPA providers face limitations on the dollars that can be spent in certain categories. In program year 1991, JTPA SDAs were required to limit administrative costs to 15 percent of expenditures and combined administrative and participant support costs to 30 percent. The 1992 JTPA amendments raised the limitation on administrative costs to 20 percent and required that at least 50 percent of expenditures be used for education and training. Although JOBS program providers do not face similar limitations, states do have to spend their own dollars to receive the federal match for JOBS expenditures. In addition, JOBS program administrators face requirements to draw on existing community resources to provide services for participants before spending their JOBS dollars for such services. Consequently, JOBS relies heavily on education,

training, and support services funded by other providers, including JTPA, high schools, state education agencies, Head Start, and others. Although JTPA has no such requirement, JTPA administrators are encouraged to rely on other providers for participant support services. However, neither program reports the costs of services provided by other organizations to JOBS or JTPA participants.

Similar Participant Outcome-Focused Data Collected

Similar information on participants' characteristics, program activities and support services provided, and participant outcomes are collected for JOBS and JTPA, as shown in table 6. Although JOBS collects these data for participants at a point in time through a monthly sample of participants, JTPA collects data on each participant in a program year. In addition to the common data elements collected for both programs, JOBS collects data on the participants' target group membership,[9] volunteer or mandatory participation status, and family characteristics; JTPA collects data on hard-to-serve participants.[10] Also, for a sample of JTPA terminees, the program collects data on their hourly wages, hours worked per week, and number of weeks employed 13 weeks after they leave JTPA; JOBS does not collect data after participants leave the program.

[9]JOBS target group members include AFDC recipients or applicants who have received AFDC for 36 months out of the past 5 years; are under age 24 who (a) have neither completed nor are enrolled in high school or (b) had little or no work experience in the preceding year; or are soon to become ineligible for AFDC because their youngest child is almost 18. States must spend at least 55 percent of their JOBS funds on these target group members or face reduced federal funding.

[10]JTPA requires that at least 65 percent of an SDA's participants be in one or more hard-to-serve categories, such as AFDC, Food Stamp, and General Assistance recipients, those who are deficient in basic skills, persons with disabilities, or school dropouts.

Table 6: JOBS and JTPA Title II-A Participant and Outcome-Focused Data Collected

Data category	JOBS	JTPA title II-A
Participant characteristics	Age, sex, race, education level, volunteer or mandatory program participation status, employment status, AFDC family information, and target group membership	Age, sex, race, ethnicity, education level, employment status, welfare status, unemployment insurance receipt, and information about whether participant is a member of a hard-to-serve category
Participant activities	Specific component assignment, such as job search and adult basic or remedial education; job entry; and scheduled hours and length of time in activity	Occupation for which training is received, number of training hours received, program activities in which participants are enrolled, and length of time in activities
Participant support services	Amount spent for support services, including transportation and child care; number of dependent children receiving child care, type of child care received, length of time received, and source of child care funding	Checklist of whether participant received various support services, including child care and transportation
Participant outcomes	Changes in education level, job entry, occupation, hourly wage, and AFDC case status	Changes in educational level, job entry, occupation, hours worked per week, and hourly wage 13-week follow-up sample of participants who left the program provides information on hours worked per week, hourly wage, and number of weeks employed

Performance Standards Differ for JOBS and JTPA

JTPA has established outcome measures as standards to which SDAs are held accountable for their performance; JOBS has process-focused, but no outcome-focused, performance standards for the states. Under JTPA, SDAs must meet established performance standards or be reorganized if they fail to meet the standards for 2 consecutive years. Separate standards for employment rates and wages at 13 weeks after program termination are established for all adults, including welfare recipients, and for adult welfare recipients. In the program year ending in 1994, the performance standards for adults were 60-percent employed and weekly wages of $228; for adult welfare recipients, the standards were 46-percent employed and weekly wages of $207. In addition, as a result of the 1992 JTPA amendments, Labor may establish retention in unsubsidized employment for not less than 6 months as a performance standard.

Although JOBS does not have outcome-focused performance standards, the Secretary of HHS was required to develop and submit recommendations for JOBS performance standards to the Congress by October 1993; however, these recommendations have not been submitted. HHS officials have briefed congressional committees on the delay in issuing the

recommendations and are pursuing outcome-focused performance standards in the context of welfare reform.

In the absence of outcome-focused performance standards, JOBS has process-focused standards that include participation rates and targeting requirements for the states. States failing to meet these standards face a reduced federal funding match rate. Regarding participation rates, for fiscal years 1990 through 1992, 7 percent of a state's mandatory AFDC recipients was required to participate; for fiscal years 1992 and 1993, this rate increased to 11 percent; the rate is 15 percent in 1994 and will increase to 20 percent in 1995. States also must meet participation rates for AFDC recipients in two-parent families, which start at 40 percent in fiscal year 1994 and rise to 75 percent in 1997 and 1998. In addition to the participation rates, states face reduced federal funding if they do not spend at least 55 percent of their JOBS funds on long-term and potential long-term applicants and recipients.[11]

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 10 days after its issue date. At that time, we will send copies of this letter to the Chairman, Senate Committee on Finance; Chairman, Subcommittee on Social Security and Family Policy, Senate Committee on Finance; Chairman, Subcommittee on Human Resources, House Committee on Ways and Means; Chairman, House Education and Labor Committee; Chairman, Subcommittee on Labor-Management Relations, House Education and Labor Committee; Secretary of Labor; Secretary of Health and Human Services; Assistant Secretary for Children and Families; and other interested parties.

[11]See footnote 9 for a definition of long-term and potential long-term applicants and recipients.

If you have any questions or need additional information, please call David Bixler at (202) 512-7201 or Nora Perry at (202) 512-7261. Gale Harris and Thomas Medvetz were also major contributors to this report.

Sincerely yours,

Jane L. Ross

Jane L. Ross
Associate Director
Income Security Issues

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Letter 1

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Abbreviations

AFDC	Aid to Families With Dependent Children
HHS	Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills Training Program
JTPA	Job Training Partnership Act
SDA	service delivery area

JOBS and JTPA Expenditure Categories

Expenditure category	JOBS (IV-F) and AFDC (IV-A) child care, Oct. 1991 to Sept. 1992	JTPA title II-A, July 1991 to June 1992
Education and training	(a) Salaries and benefits of full-time personnel working exclusively on JOBS-related program and administrative activities; (b) Costs of part-time personnel for time spent on orientation, assessment, employability plan development, case management, education, and training; and (c) Assorted nonpersonnel costs, including those for space and equipment, directly related to providing JOBS activities	Salaries, benefits, equipment and supplies of personnel directly engaged in providing training (including remedial education, job-related counseling, employability assessment, job development, and preparation for work), tuition, books, classroom space, and 50 percent of work experience program costs[a]
Participant support	JOBS IV-F: Transportation, work-related, and other support services as needed AFDC (IV-A): Child care services and related administrative costs	Needs-based payments, supportive services, including child care and transportation, and 50 percent of work experience costs
Administration	Costs related to general supervision and administration of the program	Direct and indirect costs associated with supervising and managing the program

[a]Under JOBS, work experience payments are funded through AFDC and not included as JOBS expenditures. In our 1992 study of JTPA participant support (Job Training Partnership Act: Actions Needed to Improve Participant Support Services (GAO/HRD-92-124, June 12, 1992)), we noted that about 23 percent of support expenditures was used for work experience payments. Under the 1992 amendments to JTPA, all work experience costs will be considered education and training expenditures.

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